

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2022 - ____ - E

IN RE:

Joint Petition of Horry Electric Cooperative, Inc. and the South Carolina Public Service Authority for the Assignment and Reassignment of Territory in Horry County and Approval of Agreements to Limit Corridor Rights.

**JOINT PETITION FOR ASSIGNMENT
AND RE-ASSIGNMENT OF
TERRITORY**

Horry Electric Cooperative, Inc. ("HEC") and the South Carolina Public Service Authority ("Santee Cooper" or "Public Service Authority") (collectively, "Petitioners") hereby jointly petition the Public Service Commission of South Carolina ("Commission") for assignment and reassignment of certain territory in Horry County. This Joint Petition is made pursuant to S.C. Code Ann. §§ 58-31-430, as amended by Act 90 of 2021.

I. Introduction

In support of this Joint Petition, Petitioners allege and show unto the Commission the following:

1. Santee Cooper is a body politic and corporate organized pursuant to South Carolina statutes, S.C. Code Ann. § 58-31-10 et seq., and is engaged in the generation, transmission, distribution, and sale of electricity.
2. HEC is an electric cooperative engaged in the distribution and sale of electricity.
3. S.C. Code Ann. Section 58-31-430 (2021) provides that "the Public Service Authority shall have the right to enter into agreements with other electric suppliers, as defined by Section 58-27-610, concerning service areas, as contemplated by Section 58-27-640, and corridor rights, as defined by Section 58-27-610. In that event, the Public Service Commission shall have the authority to approve said agreements and to reassign said service area or corridor rights. This authority shall only apply in situations where all affected electric suppliers have reached an agreement concerning service areas or corridor rights."

4. In exercising its authority under S.C. Code Ann. Section 58-31-430 (2021) the Commission “shall approve the agreements and reassign said service area or corridor rights if, after giving notice and an opportunity for hearing to interested parties, it finds the agreements to be fair and reasonable.”

5. The herein proposed assignment and re-assignment of territories among the Petitioners will not cause any customers to change their service; that is, no customers will be affected by the Joint Petition.

6. **Exhibit 1**, attached to this Petition and incorporated herein by reference, is the "Territorial Assignment Agreement" (“Agreement”) that includes maps (“Maps”) depicting the proposed assignment of territories in the affected portions of Horry County. These Maps are the result of good faith negotiations between HEC and Santee Cooper to assign and re-assign various territories within Horry County. The characteristics of these Maps are as follows:

- a. The Maps depicts portions of Horry County which are affected by the Agreement.
- b. The territory that is shaded in green is proposed for assignment to HEC.
- c. The territory that is shaded in blue is proposed for assignment to Santee Cooper.

II. Request to Assign Area in Horry County and Reassign Territory in Horry County

7. Petitioners respectfully request that the Commission assign the above detailed portions of Horry County in accordance with the Petitioners' negotiated agreement.

8. Agreement to Limit Corridor Rights in Specified Areas in Horry County

In the areas shown on the colored portions of the Map attached to **Exhibit 1**, HEC and Santee Cooper own many miles of distribution lines that have "corridor rights;" therefore, by virtue of those corridor rights, HEC and Santee Cooper are each able to serve new customers located in territory assigned to another.

However, in order to avoid wasteful duplication of electric distribution lines and appurtenant facilities and to better operate their distribution systems safely, HEC and Santee Cooper have agreed that they will abandon said corridor rights and not assert a corridor right to serve a customer outside the territory assigned to that Petitioner in Horry County as set forth in the above paragraph.

9. Petitioners allege that no facilities or territories of any other electric suppliers are affected by the changes Petitioners propose herein.

10. Petitioners allege that each is fully capable of furnishing adequate and dependable electric service in the areas that each now serves and would serve upon the Commission's granting of this Petition.

11. Petitioners have considered the public convenience and necessity in their negotiations and believe the assignment and reassignment of the above detailed territories are in the public interest and assert that the Commission's approval of this Petition will be in the public interest. By making the assignments of territory in the manner described in this Petition, HEC and Santee Cooper have given careful consideration to system economy, service reliability and good utility practice, efficiency and safety - all of which support a finding that the assignment of territory set forth herein promotes public convenience and necessity. Moreover, the assignment and reassignment of these territories will avoid the duplication of utility facilities in these areas.

12. Petitioners respectfully request that the Commission determine this matter solely on the basis of this filing unless there are protests or petitions to intervene, and in that event, to set this matter for hearing and determination at the earliest possible date.

WHEREFORE, Horry Electric Cooperative, Inc. and South Carolina Public Service Authority, having jointly made petition to the Commission, pray that the Commission issue its order:

1. Accepting this Petition as filed.
2. Finding and determining that the territorial assignments and reassignments as set forth above supersede any prior territorial assignment and that the assignments and reassignments are in accordance with the public convenience and necessity.
3. Reassigning to HEC the territories detailed in the attached exhibit and described above.
4. Reassigning to Santee Cooper the territories detailed in the attached exhibit and described above.
5. Approving the agreement among Petitioners wherein each has agreed not to assert corridor rights outside the territory assigned to them in the area described above.
6. Amending the territorial assignment maps to reflect the assignments and reassignments requested herein.

[SIGNATURE PAGE FOLLOWING]

Respectfully submitted,

s/ Michael S. Traynham

Michael S. Traynham (SC Bar No. 75117)
Nexsen Pruet, LLC
1230 Main Street, Suite
Columbia, SC 29201
803.540.2164
MTraynham@nexsenpruet.com

Attorney for Horry Electric Cooperative, Inc.

s/ Stephen R. Pelcher

Stephen R. Pelcher (SC Bar No. 11559)
Deputy General Counsel
South Carolina Public Service Authority
1 Riverwood Drive
Moncks Corner, SC 29461
843.761.4016
srpelche@santeecooper.com

*Attorney for South Carolina Public Service
Authority*

s/Megan E. Driggers

Megan E. Driggers (SC Bar No. 102515)
South Carolina Public Service Authority
1 Riverwood Drive
Moncks Corner, SC 29461
843.761.7083
Megan.driggers@santeecooper.com

*Attorney for South Carolina Public Service
Authority*

April 1, 2022

Columbia, SC